

**OPINION
46-75**

July 1, 1946 (OPINION)

COUNTY

RE: Commissioners Not Authorized to Make Loans for Industrial Development

This office is in receipt of your letter of July 1, 1946, written on your behalf by Chrissie E. Budge, in which she states that you desire our opinion on the following question:

"Can the Board of County Commissioners use the fund raised under chapter 294, S.L. 1945, as a revolving fund, to either loan to industries getting started in the county, or to buy an interest in an industry, the loan in either case to be repaid to the County Commissioners."

Section 1 of chapter 294, of the 1945 Session Laws reads as follows:

"The Board of County Commissioners of any county in which there is located a city having population in excess of 3,000, according to latest Federal census and the governing body of any city having a population in excess of 3,000, according to latest Federal census, may annually levy a tax for the purpose of advertising the resources and processing opportunities in North Dakota and promoting the industrial development thereof. Such tax shall not exceed the amount produced by the levy of half (1/2) mill on a dollar of the net taxable valuation of the county or city as the case may be."

It is my opinion that it was not the intention of the legislature to authorize a county or a city to actually engage in business, or to participate with individuals or with corporations in the establishment and operations of industries, or to lend county funds to individuals or corporations for such purposes. While the phrase, "promoting the industrial development thereof," might conceivably be construed to mean participating financially in the establishment and operation of an industry, it is my opinion that the legislature intended the word "promoting" to mean the same as "inducing". The statute, in my opinion, is not sufficiently specific to authorize the making of loans or to authorize financial participation in the establishment and operation of an industry.

NELS G. JOHNSON

Attorney General